

AUG 07 2013

CLERK OF THE COURT
U.S. DISTRICT COURT
CENTRAL DISTRICT OF ILLINOIS

Defendant.

Criminal No. 13-30066
Violation: Title 18, United States Code,
Sections 1341, 666(a)(1)(A), 666(a)(1)(B),
1512(b)(1), 1512(c)(2), and 2.

THE GRAND JURY CHARGES:

The defendant, QUINSHAUNTA R. GOLDEN, is charged in this indictment with one count of bribery and theft involving programs receiving federal funds, in violation of 18 U.S.C. § 666(a)(1)(A) and 666(a)(1)(B), five counts of mail fraud, in violation of 18 U.S.C. 1341, and one count of witness tampering/obstruction of justice, in violation of 18 U.S.C. § 1512(b)(1) and 1512(c)(2). Beginning as early as August 2006 and continuing to in or about November 2009, the defendant, being an agent, namely, the Chief of Staff at and a contractor with the Illinois Department of Public Health (hereinafter "DPH"), an agency of the state of Illinois, which received more than \$10,000 in federal funds during each of those years, devised and participated in a scheme to corruptly solicit and demand money for the benefit of herself and others, intending to be influenced and rewarded in connection with the business and transactions of DPH,

involving a value of \$5,000 or more; to knowingly embezzle, steal, obtain by fraud, and misapply property valued at \$5,000 or more that was owned by and under the care, custody, and control of such agency; and to defraud DPH and obtain its money and property by means of false and fraudulent, pretenses, promises, representations, and material omissions. In addition, from on or about February 10, 2012, and continuing to on or about April 4, 2012, the defendant corruptly persuaded and attempted to corruptly persuade and knowingly engaged in misleading conduct toward another person with the intent to influence, delay, and prevent the testimony of the person in and knowingly attempted to otherwise obstruct, influence, and impede an official grand jury investigation in the Central District of Illinois.

COUNT 1
(Scheme to Solicit Kickbacks and to Commit Fraud)

Background

1. Pursuant to Illinois law, the Illinois Department of Public Health is charged with promoting the health of the people of Illinois through the prevention and control of disease and injury and to promote public awareness of various health issues.

More specifically, DPH's responsibilities include:

(20 ILCS 2310/2310 315) coordinating all state programs and services relating to the prevention, treatment, and amelioration of acquired immunodeficiency syndrome (AIDS), promoting necessary measures to reduce the incidence of AIDS and the mortality from AIDS, and providing grants to individuals, organizations or facilities to support information, referral, and treatment services and supplementation of other public and private resources. In 2005, the Governor announced a social marketing program called BASUAH (Brothers And Sisters United Against HIV/AIDS) to reach the African-American community with education, prevention and testing.

(20 ILCS 2310/2310 353) raising public awareness on the causes and nature of cervical cancer, personal risk factors, the value of prevention, early detection, options for testing, treatment costs, new technology, medical care reimbursement, and physician education. In 1995, DPH launched the Illinois Breast and Cervical Cancer Program in an effort to reduce breast and cervical cancer mortality by providing screening and diagnostic services that promote early detection. The program is funded cooperatively by the U.S. Centers for Disease Control and Prevention and DPH.

(20 ILCS 2310/2310 397) promoting awareness and early detection of prostate and testicular cancer, including the development and dissemination, through print and broadcast media, of public service announcements that publicize the importance of prostate cancer screening for men over age 40.

(20 ILCS 2310/2310 610) and (20 ILCS 2310/2310 620) adopting and implementing rules, contact lists, and response plans governing public

health preparedness and response and collaborating with relevant federal government authorities, state agencies, local authorities, including local public health authorities, elected officials from other states, and private sector organizations on public health preparedness and response. In 2007, the Governor announced the Faith-Based Emergency Preparedness Initiative, which leveraged federal funding to work with public entities and religious organizations to enhance preparedness against major emergencies, including natural disasters and pandemic flu outbreaks. The initiative called for DPH to work in partnership with the Cook County Department of Public Health and the Broadcast Ministers Alliance of Chicago, Inc. The goal of the Illinois Faith-Based Emergency Preparedness Initiative was to develop an infrastructure to provide minority churches statewide with the resources and training necessary to disseminate emergency preparedness information and resources to communities across the state.

(210 ILCS 45) administering the Nursing Home Care Act, including the Identified Offender Program, requiring DPH to implement the development of a criminal history analysis for each person age 18 or older residing in an Illinois nursing home and to make a risk analysis and security recommendation to the facility for housing the resident.

2. As part of executing its duties and responsibilities under Illinois law, DPH provides millions of dollars in monetary grants of assistance and contracts to local governmental entities and non-profit and for-profit organizations. For each of the years from 2006 to 2010, Illinois received more than \$10,000 in federal funds.

The Defendant and Her Associates

3. Defendant QUINSHAUNTA R. GOLDEN was hired as the Chief of Staff at DPH in or about late 2003 and continued in that position until early 2008. As Chief of Staff, Defendant GOLDEN was responsible for providing management, oversight, and leadership of DPH. Defendant GOLDEN had significant control over all the offices of DPH and had certain approval authority and control over the awarding of grants and

contracts, including emergency procurements and related administrative functions. After Defendant GOLDEN left DPH in early 2008 for a position at the University of Chicago Medical Center, Defendant GOLDEN's firm, Strategic Healthcare Initiatives, was awarded a DPH contract to monitor activities at DPH relating to its Faith-Based Emergency Preparedness Initiative until late-spring or early-summer of 2008.

4. Advance Health, Social & Educational Associates, Inc. (AHSEA) was an Illinois for-profit corporation located in Chicago, Illinois. Leon Dingle, Jr. was the President, CEO, Treasurer, and sole shareholder of AHSEA. Karin Dingle was the Vice President and Secretary of AHSEA. The business and personal associates of AHSEA, Leon Dingle, Jr., and Karin Dingle included three Illinois not-for-profit organizations: Broadcast Ministers Alliance (BMA), Access Wellness and Racial Equity (AWARE), and Medical Health Association (MHA).

5. Between 2004 and 2010, DPH awarded more than 30 non-competitive grants, totaling more than \$11,000,000, to BMA, AWARE, and MHA pursuant to one or more of the programs summarized above.

6. SECURITY FIRM A was an Illinois company formed in or about 2006. In or about September 2006, DPH, at Defendant GOLDEN's direction, awarded SECURITY FIRM A a \$400,000 emergency contract under the Identified Offender Program to conduct background checks and background interviews on persons 18 or over residing in Illinois nursing homes. Under the terms of the contract, SECURITY FIRM A was paid a minimum of \$300 per background investigation. In or about March

2007, DPH awarded SECURITY FIRM A an interim contract, totaling \$30,000, for the period March 15, 2007, to July 15, 2007. In or about July 2007, DPH awarded SECURITY FIRM A, a contract, totaling \$615,000, for the period July 31, 2007, to June 30, 2008. In or about June 2008, DPH renewed the contract awarded to SECURITY FIRM A, totaling \$600,000, for the time period July 1, 2008, to June 30, 2009. In or about June 2009, DPH again renewed the previously-awarded contract to SECURITY FIRM A, totaling \$600,000, for the time period July 1, 2009, to June 30, 2010. From 2006 through 2010, SECURITY FIRM A was paid over \$2,000,000 by DPH for services related to these contracts.

7. INDIVIDUAL A was an associate of Defendant GOLDEN, an associate and paid consultant of Leon Dingle, Jr., AHSEA, BMA, AWARE, and MHA, and an associate and paid consultant of SECURITY FIRM A under its contracts with DPH. From 2006 to 2010, INDIVIDUAL A received a total of more than \$1,000,000 in grant and contract funds originally disbursed to BMA, AWARE, MHA, and SECURITY FIRM A.

The Defendant's Kickback/Fraudulent Scheme

8. Beginning as early as August 2006 and continuing to in or about November 2009, the defendant,

QUINSHAUNTA R. GOLDEN,

being an agent, namely, the Chief of Staff at and a contractor with DPH, an agency of the state of Illinois, which received more than \$10,000 in federal funds during each of

those years, devised and participated in a scheme to corruptly solicit and demand money for the benefit of herself and others, intending to be influenced and rewarded in connection with the business and transactions of DPH, involving a value of \$5,000 or more; to knowingly embezzle, steal, obtain by fraud, and misapply property valued at \$5,000 or more that was owned by and under the care, custody, and control of such agency; and to defraud DPH and obtain its money and property by means of false and fraudulent, pretenses, promises, representations, and material omissions.

Manner and Means of the Scheme

9. As part of the scheme, Defendant **GOLDEN** used her position as Chief of Staff at DPH to cause it to issue millions of dollars in grant funds to BMA, AWARE, and MHA, which were then controlled by Leon Dingle, Jr. and AHSEA, and to issue DPH contract funds to SECURITY FIRM A. All of the grant and contract funds were issued in Springfield, Illinois, and much of these funds were mailed from Springfield to the grant recipients and to SECURITY FIRM A, including the mailing of three grant checks in March and April 2008 from Springfield to BMA and AWARE, totaling \$245,000, \$225,000, and \$125,000, respectively, and the mailing of a contract check of \$49,950 in March 2008 from Springfield to SECURITY FIRM A.

10. As a further part of the scheme, Defendant **GOLDEN** caused INDIVIDUAL A to be hired as a paid consultant for Leon Dingle, Jr., BMA, AWARE, and MHA and further caused \$772,500 in grant funds, originally disbursed to BMA, AWARE, and MHA, to be paid to INDIVIDUAL A during a nine-month period

between July 2007 and April 2008, including approximately \$407,500 paid to INDIVIDUAL A in April 2008 alone, at the end of Defendant **GOLDEN**'s tenure at DPH.

11. As a further part of the scheme, Defendant **GOLDEN** required, as a condition of INDIVIDUAL A receiving grant funds, that INDIVIDUAL A pay Defendant **GOLDEN** kickback payments of one-half of whatever INDIVIDUAL A received, less any funds to be withheld for the payment of taxes, which were never paid. From about July 2007 to April 2008, INDIVIDUAL A made cash withdrawals of grant funds from INDIVIDUAL A's bank accounts and made cash payments ranging from \$5,000 to as high as \$70,000 to Defendant **GOLDEN**, totaling approximately \$323,500, including a \$70,000 payment by INDIVIDUAL A to Defendant **GOLDEN**, through a relative of Defendant **GOLDEN**, on or about April 28, 2008.

12. As a further part of the scheme, Defendant **GOLDEN** caused DPH to issue substantial contracts to SECURITY FIRM A under DPH's Identified Offender Program. As a further part of the scheme, Defendant **GOLDEN** required INDIVIDUAL A to pay Defendant **GOLDEN** kickback payments of approximately \$35 to \$40 for each background investigation performed by SECURITY FIRM A. From 2006 to 2009, INDIVIDUAL A received approximately \$485,000 in funds from SECURITY FIRM A's contracts with DPH, and, during 2007 and 2008, paid Defendant **GOLDEN** a total of approximately \$109,500.

13. As a result of the scheme, from about July 2007 and continuing to

approximately October 2008, INDIVIDUAL A made a total of approximately \$433,000 in kickback payments in DPH grant and contract funds to Defendant **GOLDEN**.

All in violation of Title 18, United States Code, Sections 666(a)(1)(A), 666(a)(1)(B), and 2.

COUNTS 2-6
(Mail Fraud)

1. Paragraphs 1 through 13 of Count 1 of this indictment are re-alleged and incorporated herein by reference.

2. On or about the dates listed below, for each count, having devised and participated in and for the purpose of executing and attempting to execute the above-described scheme to defraud and to obtain money and property alleged in Count 1, the defendant,

QUINSHAUNTA R. GOLDEN,

caused to be delivered by mail a letter containing a State of Illinois check, representing the proceeds of a DPH grant or contract, sent from the State of Illinois in Springfield, Illinois, to a grant or contract recipient in Chicago, Illinois, representing grant and contract monies from which Defendant **GOLDEN** received funds:

| <u>COUNT</u> | <u>DATE</u> | <u>CHECK AMOUNT/NUMBER</u> | <u>RECIPIENT</u> |
|--------------|----------------|----------------------------|------------------|
| 2 | March 3, 2008 | \$49,950/#AG7246100 | Security Firm A |
| 3 | March 25, 2008 | \$125,000/#83284020 | BMA |
| 4 | March 27, 2008 | \$225,000/#80180294 | BMA |
| 5 | April 15, 2008 | \$245,000/#83284021 | AWARE |
| 6 | May 15, 2008 | \$57,200/AG8439972 | Security Firm A |

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT 7
(Witness Tampering/Obstruction of Justice)

1. Paragraphs 1 through 13 of Count 1 are re-alleged and incorporated herein by reference.

2. In or about mid 2008, the United States Attorney's Office for the Central District of Illinois, the United States Postal Inspection Service, the IRS Criminal Investigations Division, and the Illinois Secretary of State's Office of Inspector General initiated an investigation into the activities of Defendant GOLDEN and others after receiving allegations involving substantial grant and contract fraud at DPH. That investigation later involved a grand jury duly empaneled in the Central District of Illinois.

3. As part of the grand jury investigation, law enforcement officers and investigators interviewed numerous people with knowledge of and involvement in DPH grants and contracts and reviewed thousands of documents and financial records detailing the disbursement, receipt, and expenditure of DPH grant and contract funds. A material part of the grand jury investigation involved Defendant GOLDEN, her role as Chief of Staff at DPH in the awarding and approving of DPH grants and contracts, and her relationship with INDIVIDUAL A and DPH grant and contract recipients, including Leon Dingle, Jr., AHSEA, BMA, AWARE, MHA, and SECURITY FIRM A.

4. As of February 2012, the grand jury investigation was active and ongoing. INDIVIDUAL A was a material witness in the investigation.

5. From on or about February 10, 2012, and continuing to on or about April 4, 2012, the defendant,

QUINSHAUNTA R. GOLDEN,

corruptly persuaded and attempted to corruptly persuade and knowingly engaged in misleading conduct toward another person with the intent to influence, delay, and prevent the testimony of the person in and knowingly attempted to otherwise obstruct, influence, and impede an official grand jury investigation in the Central District of Illinois.

6. As part of her attempts to corruptly persuade and engage in misleading conduct toward another person, Defendant **GOLDEN** met with INDIVIDUAL A on multiple occasions and falsely denied that she received improper kickback payments from INDIVIDUAL A.

7. As a further part of her attempts to corruptly persuade and engage in misleading conduct toward another person, Defendant **GOLDEN** admitted that she steered grants to certain vendors and to INDIVIDUAL A and further admitted to the kickback scheme with INDIVIDUAL A, but encouraged and instructed INDIVIDUAL A not to tell the truth concerning their kickback scheme, encouraged INDIVIDUAL A to conceal the truth from INDIVIDUAL A's attorney, and to create a false story by stating that INDIVIDUAL A used the grant and contract funds for gambling and other personal expenses. Defendant **GOLDEN** further corruptly persuaded and attempted to corruptly persuade and engaged in misleading conduct toward INDIVIDUAL A by advising INDIVIDUAL A that INDIVIDUAL A should not tell the truth and could not go to jail and

that a false story would be believable to a jury.

All in violation of Title 18, United States Code, Sections 1512(b)(1) and 1512(c)(2).

FORFEITURE ALLEGATION

The allegations contained in Counts 1 through 5 of this Indictment are hereby re-alleged and incorporated herein by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c).

As a result of the defendant's commission of the foregoing offenses alleged in Counts 1 through 5, the defendant,

QUINSHAUNTA R. GOLDEN,

shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any and all interest that the defendant may have, individually and in association with others, in and to any property, real or personal, constituting or derived from any proceeds obtained, directly or indirectly, as a result of the violations alleged herein.

MONEY JUDGMENT

The United States seeks a personal money judgment against the defendant in a sum of money yet to be determined, which would represent the amount of the net proceeds obtained as a result of the offenses described in Counts 1 through 5 of this Indictment.

SUBSTITUTE ASSETS

If any of the property described above as being subject to forfeiture as a result of any act or omission of the defendant:

- (a) Cannot be located upon the exercise of due diligence;
- (b) Has been transferred or sold to, or deposited with, a third person;
- (c) Has been placed beyond the jurisdiction of the Court;
- (d) Has been substantially diminished in value; or,
- (e) Has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

A TRUE BILL,

FOREPERSON

JAMES A. LEWIS
UNITED STATES ATTORNEY/TB